



Sustainable Conservation

Agricultural Feedstocks for Renewable Energy Technologies

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Sustainable Conservation**

Benefits of Integrating Agricultural Feedstock into energy production

- Reduced environmental footprint of petroleum fuels
- Reduced environmental impact of intensive agriculture
- Food and energy security
- Build a bridge between rural and urban economy



Evolution of Feedstock Utilization

- Agricultural “Waste” (Manure/Crop residue)
 - Solve environmental problem
 - Biofuel by-product
- Competing-use Crops with Economically Viable Co-products
 - Synergy with food production
 - Biofuel Integration
- Dedicated Energy Crops (Cellulosic & Biotech Barriers)
 - Biofuel focused
 - Petroleum replacement

Biofuel Feedstock from Plant and Animal Material



Manure from CAFO's & Crop residues

- Biogas, Biomethane, Hydrogen

Animal & Vegetable Oils

- Biodiesel

Cereal Grains & Sugar Crops

- Ethanol

Almost all biofuel production is out of state/out of US



Manure from Confined Animal Feeding Operations

- **1,900 Dairies**
- **1.8 Million Cows**
- **Central Valley concentration**
- **65 Billion lbs Manure**
- **Most energy value currently wasted**



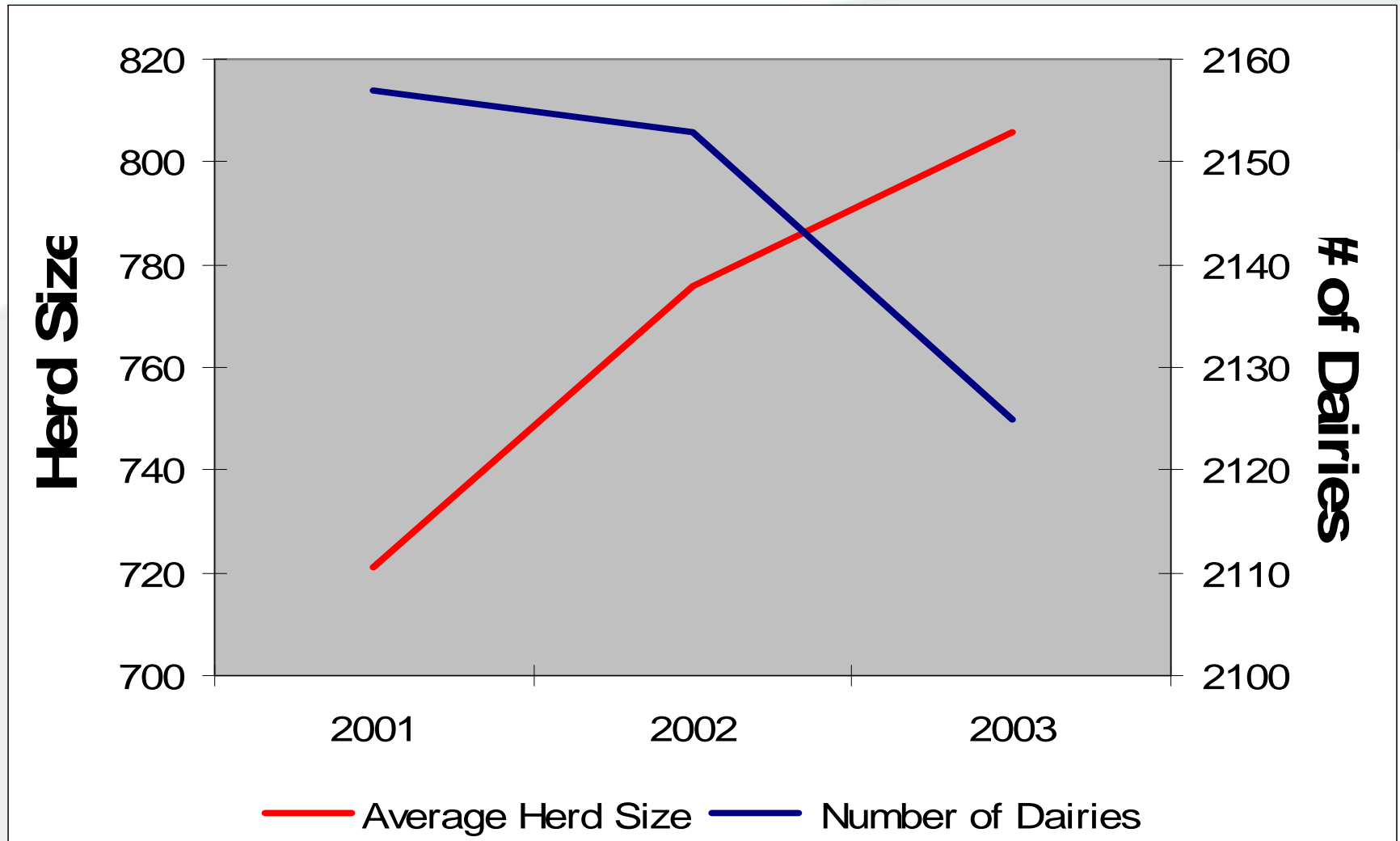
Potential Dairy Methane Production from CA Dairies

Type of Dairies	Number of Cows	Potential Daily Methane Production ^b (ft ³ /d)	
		Per Cow ^c	In California
Flushed freestall	595,769	32.2	19,183,771
Scraped freestall	170,220	32.2	5,481,084
Flushed drylot	510,659	23.8	12,153,691
Scraped drylot ^d	425,550	5.6	2,383,080
<i>Totals</i>	1,702,198		39,201,626

Energy potential of CA Dairies

- 40 Million ft³/day (14.6 Billion ft³/year)
- \$146 million/year in natural gas value
- 1.2 Million MWh Electrical energy

Dairy Industry Trends



Dairy Environmental Concerns

- Air Emissions: Reducing VOC, PM and potentially Ammonia Emissions
 - Digesters as control technology
- Water Pollution: Balancing manure land application with crop uptake
 - Regional clusters with excess manure

Status of Technologies for Dairies

- Anaerobic Digestion

- Approx. 12 digesters working on CA dairies
- Produces couple megawatts of electricity

- Gasification

- Pilot projects currently being developed
- Volume reduction – easier to transport ash off farm than raw manure
- Emissions and fate of nitrogen?

Biomethane: What Next?

- Upgrade biogas to biomethane fuel
- Sweden is using as a fuel now
- Enough biogas to easily run all natural gas powered vehicles in CA.
- Bridge to the H2 highway?

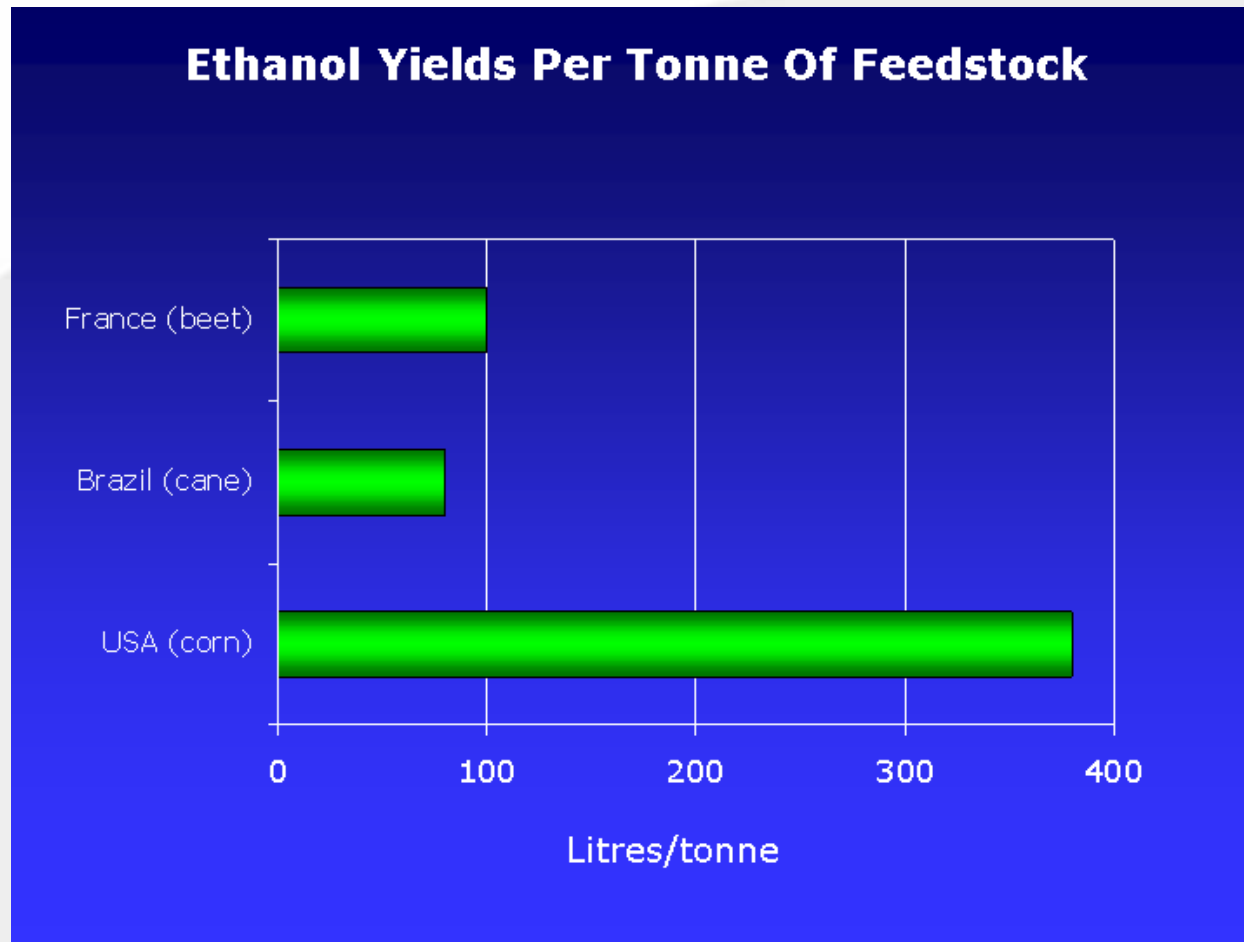


Cereal Grains and Sugar Crops

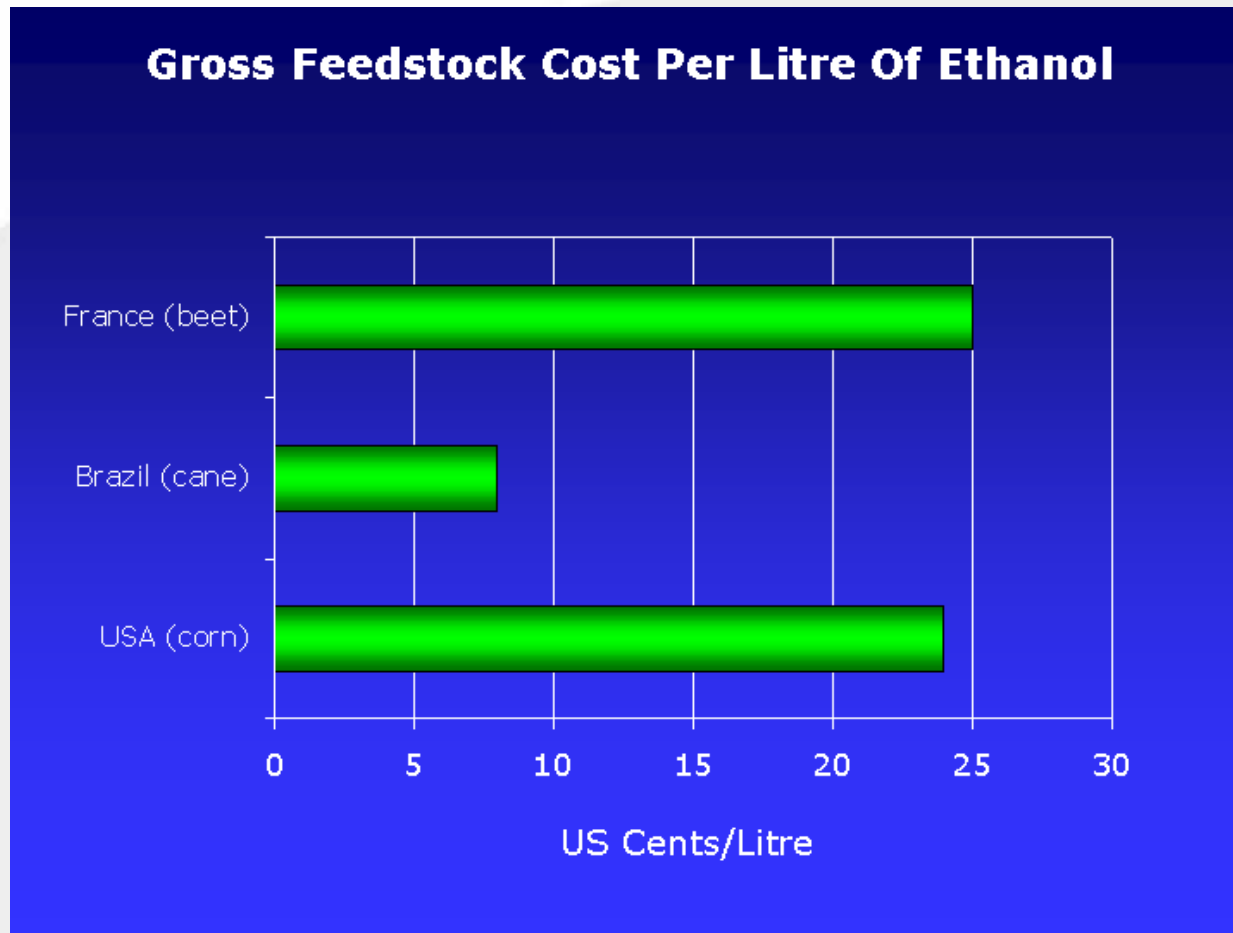
- Primary biofuel is Ethanol
- Can be produced from any starch or sugar crop
- Brazil produced 4 billion gals from sugar cane
- U.S. produced 3.5 billion gals from Mid-West Corn
- CA consumes over 900 million gallons
- Only One ethanol plant in CA
- 12% of automotive fuel has some ethanol



Leading Ethanol Feedstock Yield



Why Brazil is World Leader



Ethanol: Key Issues

- Energy yield from corn is problematic
- Environmental impacts from corn
- Ethanol can be made from other crops
- Can we produce it in CA?

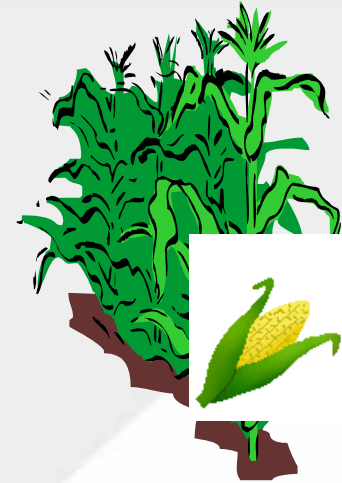


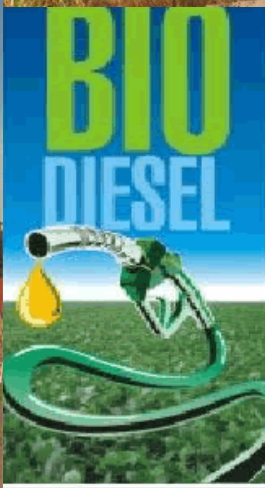
Integrating Biofuels into CA Agriculture



Ethanol: What Next?

- Air issues as barriers?
- Eco-friendly farming in CA?
- Cellulosic vs corn ethanol?
- Renewable Fuels Standard





Benefits of Biodiesel

- Reduction in nearly all forms of air pollution
- Reduction in GHG's
- Positive energy balance (3.2:1)
- Non-toxic and biodegradable
- Can be used in existing diesel engines

Animal and Vegetable Oil Sources

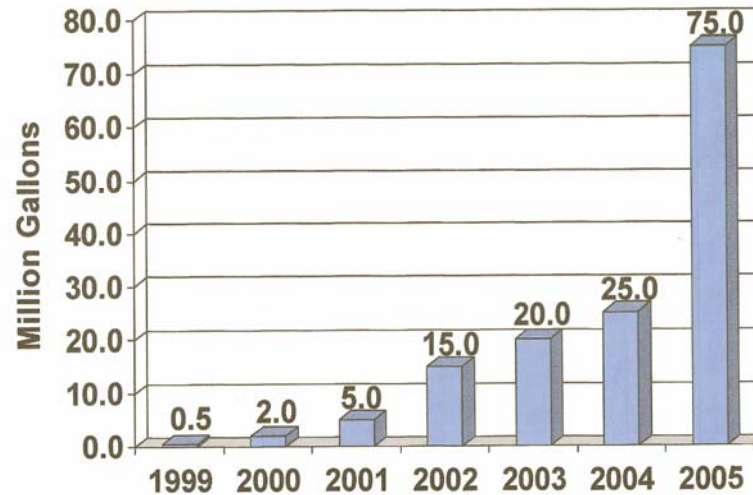
100 lbs of oil + 10 lbs of methanol = 100 lbs of biodiesel + 10 lbs of glycerol

Vegetable Oil Production (Billion pounds/yr)	
Soybean	18.34
Peanuts	0.22
Sunflower	1.00
Cottonseed	1.01
Corn	2.42
Others	0.67
Total Veg. Oil	23.66

Animal Fats (Billion pounds/yr)	
Edible Tallow	1.63
Inedible tallow	3.86
Lard & Grease	1.31
Yellow Grease	2.63
Poultry Fat	2.22
Total Animal Fat	11.64

Animal and Vegetable Oils for Biodiesel feedstock

Estimated US Biodiesel Production



CA

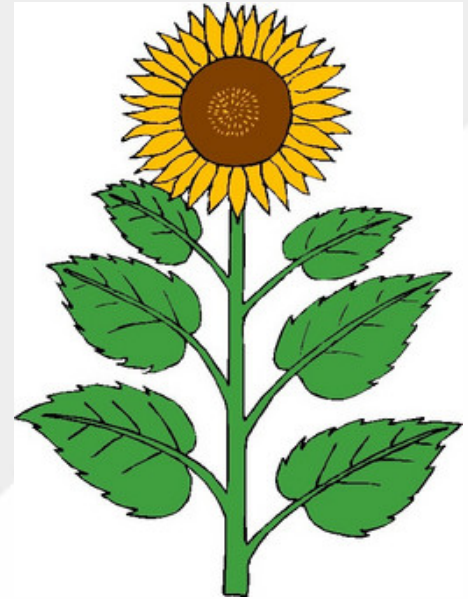
E American Biofuels LLC
 Bay Biodiesel, LLC
 LC Biofuels
 Simple Fuels LLC

Bakersfield
 Martinez
 Richmond
 Vinton

5,000,000	Soybean Oil	Jun-06
2,500,000	Soybean Oil	Jan-06
350,000	Yellow Grease	Mar-06
	Recycled Cooking Oil	Feb-07

Biodiesel: What Next?

- CA based production
 - What crops?
 - How to make eco-friendly?
- What does it take?
- Primary market incentives?
- What blend and when?

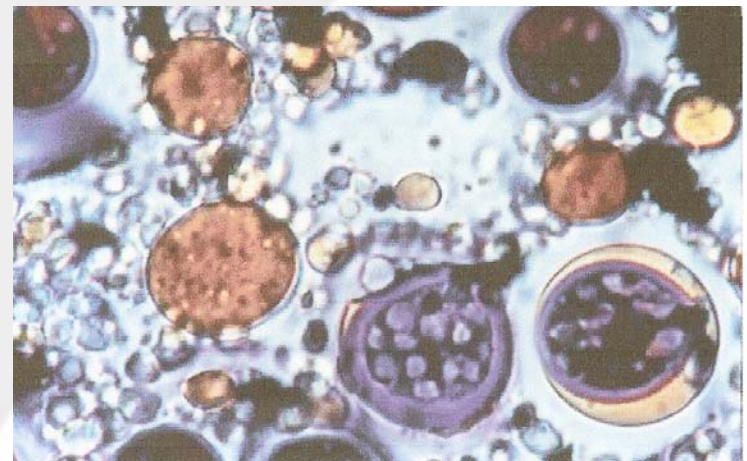


The future of Feedstock

Jatropha (Biodiesel -
175 gal/Acre vs. 45
Gal/Acre for Soybean



Algaculture
(Biodiesel 5,000-20,000
gal/Acre)



Hydrogen Production

Where we go from here...

- Biofuels can be part of CA's energy solutions
- Biofuels are not zero impact solution
- Production is almost non-existent in CA
- Partnership between environmentalist and agriculture would be powerful alliance
- Need to validate environmental risks and benefits

